

FISCAL NOTE

HB 3123 - SB 3319

February 27, 1998

SUMMARY OF BILL: Requires the State Board of Education to set the component of the BEP available for administrative costs and reduce such component if excess local funds are spent on administrative costs.

ESTIMATED FISCAL IMPACT:

Decrease State Expenditures - Exceeds \$100,000

Decrease Local Govt. Revenues - Exceeds \$100,000

Assumes local school systems receive less funding to the extent a component of the BEP is established for administration and then is reduced for excess funds being spent on administration costs. At present the BEP does not contain a specific component for administrative costs although some of the components, such as principals and assistant principals, would be part of administrative costs. Assumes that even if a few positions were eliminated anywhere in the state, state expenditures would decrease in excess of \$100,000 and corresponding local government revenues would decrease in excess of \$100,000.

For information purposes, all systems statewide spent \$330,429,564 for administration in FY 1996-97 or an average of \$372.30 per Adjusted ADM.

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James A. Davenport, Executive Director

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